

CABINET – 23 MAY 2023

CAPITAL PROGRAMME APPROVALS – MAY 2023

Report by the Director of Finance

Recommendations

1. The Cabinet is RECOMMENDED to:
 - a) approve the revised budget provision of £11.2m for Wantage Eastern Link Road (Section 3).
 - b) approve the addition £2.7m road safety works in the vicinity of RAF Barford St John and RAF Croughton to the capital programme.
 - c) approve the addition of £4.0m of the £5.0m pipeline funding agreed in February 2023 to the capital programme to support the Vision Zero Delivery Programme.
 - d) approve the revised budget provision of £23.1m for the delivery of the new secondary school at Grove Airfield.
 - e) approve the revised budget provision of £9.3m for the completion of works at Blessed George Napier School, Banbury.
 - f) approve the addition of £0.8m to the programme to create an Energy Efficiency Recycling Fund for Oxfordshire County Council Maintained Schools.

Executive Summary

2. The Capital Programme was approved by Council in February 2023. This report sets out change requests requiring Cabinet approval that will be incorporated into the agreed programme and included in the next update to the Capital Programme in July 2023.

Introduction

3. The Capital Programme sets out how the Council will use Capital expenditure to deliver the Council's priorities as set out in the Strategic Plan 2022-25. The Capital Programme is updated quarterly and fully refreshed annually as part of the Budget and Business Planning Process to ensure that it remains aligned to the latest priorities, reflects the latest cost projections and profile for delivery, and incorporates the current funding position.
4. On occasion, time critical variations to the Capital programme are recommended to Cabinet. This report sets out a change request to school projects that are part of the agreed Pupil Place Plan (including new schools and expansion) as well as an update to the Wantage Eastern Link Road scheme that is part of the Major Infrastructure Programme. It also requests

that funding for Vision Zero agreed as part of the capital pipeline¹ in February 2023 is now added to the firm programme so that work can proceed.

Major Infrastructure

5. The Wantage Eastern Link Road scheme will deliver a strategic link road between the A338 to the north of Wantage and the A417 to the east of Wantage. The County Council is responsible for delivering the middle section of the scheme, which is expected to open in Summer 2024.
6. £9.1m funding for the scheme is included in the capital programme agreed in February 2023. After taking account of updates to the cost of the project including increased provision for risk and contingency the total budget is proposed to be increased to £11.2m. The increase to the scheme cost will be met from Section 106 contributions towards the scheme which are now expected to total £8.2m. The increase reflects index-linked growth of these contributions compared to previous assumptions and additional contributions secured to support the design and delivery of the scheme.

Highways Asset Management Plan

Road Safety Scheme: RAF Barford St John & RAF Croughton

7. Following the United States Visiting Forces (USVF) Road Safety Review undertaken by the Safer Roads Foundation on behalf of the Department for Transport, the council has been awarded £2.7m grant funding from the Department of Transport through the Safer Roads Fund programme to support a package of road safety works in the vicinity of RAF Barford St John & RAF Croughton.

Vision Zero

8. The county council has committed to improve road safety through Vision Zero both within a public statement by the leader and adoption of a vision statement and programme approach. This includes an ambition of zero fatalities and life changing injuries from road traffic collisions by 2050: with an interim target of 25% reduction by 2026 and 50% reduction by 2030 across Oxfordshire.
9. The capital programme pipeline agreed in February 2023 included funding of £5.0m for Vision Zero. The outline Vision Zero Delivery Programme set out below will utilise £4.0m of the available funding and is made up of five specific programmes which will have specific schemes developed and implemented over the next three years.

¹ As set out in the Capital & Investment Strategy **pipeline capital schemes** support the council's priorities, have an agreed need, a confirmed alignment with the council's capital prioritisation framework and a basic mandate. These were agreed to be priority schemes, with agreed funding, but were subject to further development and an approved initial business case before they were added to the firm programme.

Programme	Scope & Focus	Allocation
Cycle Safety & Connectivity	<p>To improve the safety and attractiveness of the cycle network across Oxfordshire, both on and off-highway routes. This will cover improvements to existing infrastructure as well as potential creation of new.</p> <p>Scheme identification will be through a review of our cycle network utilising information such as that within LCWIPs, local knowledge and safety data available.</p>	£0.8m
Corridor/Strategic Road Safety Improvements	<p>To help address known safety concerns along key strategic corridors within Oxford.</p> <p>Schemes will be identified through road safety data, post collision reviews, and information and work completed in preparation of LTCP corridor strategies.</p>	£1.2m
Junction incident hot spots (cluster sites)	<p>To improve existing junction/s that have a history of incidents that a change in design could help to mitigate.</p> <p>Scheme/s will be identified through road safety data and post collision reviews.</p>	£1.0m
Speed Management Programme	<p>To identify initiatives in collaboration with Thames Valley Police to support adherence to speed limits.</p> <p>Initiatives may include pilots around average speed enforcement in particular and as a last resort traffic management measure.</p> <p>Focus to be shaped through road safety data and police intelligence. This should include working with and data from local speedwatch groups.</p>	£0.4m

Programme	Scope & Focus	Allocation
Safer Routes to School	<p>This is investment in making walking routes to schools safer and more attractive. Links to the schools' streets programme and issues identified in Home to School safer walking route assessments.</p> <p>Priority will be given to locations that are likely to provide the biggest benefit to the largest number of children.</p>	£0.6m

Pupil Places Plan

Grove Airfield – Secondary School

10. A new 600-place secondary school, including a 25 place Specially Resourced Provision (SRP) to support pupils with Social, Emotional and Mental Health (SEMH) needs in line with the Councils SEND Sufficiency of Places Strategy. The new school is being directly delivered by the Education and Skills Funding Agency (ESFA) and is being wholly funded from Section 106 contributions. Subject to the delivery programme for the new housing on the airfield development, the new secondary school facility is currently expected to be operational for use from September 2025.
11. After taking account inflation included in revised estimates of the funding that the Education and Skills Funding Agency advise is required to build the school the overall cost is now expected to be £23.1m including £0.1m administration costs that the council expects to incur. The total scheme cost has increased by £1.5m compared to the February 2023 capital programme and will be fully funded by Section 106 Contributions.

Blessed George Napier School

12. Blessed George Napier (BGN) School is an academy in Banbury providing secondary school education for students aged 11-19. The school is managed by The Pope Francis Catholic Multi Academy Trust.
13. The council needed additional secondary school places at BGN, to serve the adjacent Wykham Park strategic housing development, and the wider demand for secondary school places in Banbury and therefore it was agreed to expand BGN by 2 forms-of-entry from 5fe to 7fe.
14. A full business case for £7.4m was approved in June 2021 and the Trust is delivering the project. In August 2022, the contractor went into administration. Through direct orders to sub-contractors, BGN managed to complete internal works needed to the existing building and some works to the new teaching blocks. However, because the remaining work needs to be retendered the total project budget has increased from £7.4m to £9.3m. The increase is directly related to the need for another contractor to take on and complete part finished buildings and inflationary pressures.

15. The additional £1.8m is expected to be funded from £0.8m additional Section 106 funding (including indexation). The remaining £1.0m will be met from basic need contingency funding held by the council.

Property

Energy Efficiency Recycling Fund for OCC Maintained Schools

16. Through the Climate Action Framework, the council has committed to prioritizing action on climate change across the council and achieving net-zero emissions from the Councils corporate estate by 2030. The Council has also committed to reducing emissions from all of its areas of influence, including supporting maintained schools to reduce their emissions in line with the government's 2050 net zero targets.
17. The Energy Efficiency Recycling Fund will provide OCC maintained schools with a low-cost loan to finance implementation of energy efficiency measures at their school to enable carbon and energy use reductions. The fund will initially be available for two measures (solar PV and LED lighting), with the intention to further expand the scheme to additional energy efficiency measures once the scheme is established. The payback period will be set to reflect the ability to repay using anticipated savings to be made as a result of these energy efficiency measures
18. £0.8m funding from the Investment Pump Priming Reserve to set up the scheme was agreed as part of the budget in February 2023 and the scheme was included in the capital pipeline. It is now proposed to add this scheme to the firm programme so that this can progress.

Financial Implications

19. Where funding is not available in the capital programme pipeline agreed in February 2023 the updates to scheme costs set out in this report will be funded by additional Section 106 contributions or existing funding for Basic Needs so the overall programme remains fully funded.
20. If Section 106 contributions are not received within the planned timeframe it may be necessary for the Council to temporarily fund capital expenditure through Prudential Borrowing. The Council has a Prudential Borrowing reserve to help manage the revenue impact of additional prudential borrowing.

Comments checked by:
Lorna Baxter, Director of Finance

Staff Implications

21. There are no staffing implications arising directly from the report.

Equality & Inclusion Implications

22. There are no equality and inclusion implications arising directly from this report.

Legal Implications

23. In year changes to the capital programme must be approved by Cabinet in accordance with Financial Regulation and in particular paragraph 5.1.1(iv) permitting Cabinet to agree resource inclusion into the capital programme via a periodic Capital Report to Cabinet, based on the recommendation of the Strategic Capital Board (chaired by the section 151 officer). Comments checked by:

Comments checked by:
Paul Grant, Head of Legal and Deputy Monitoring Officer

LORNA BAXTER
Director of Finance

Background papers: none

Contact Officers:
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May 2023